

# **ECOSYSTEM ROUNDTABLE**

**BDAC Ecosystem Roundtable Meeting  
14 March 1997**

**Attendee List**

**Roundtable Members**

John Beuttler  
Gary Bobker  
Bill Gaines  
Randy Kanouse  
Cynthia Koehler

Marc Luesebrink  
Jackie McCort  
John Mills  
Jason Peltier

Allen Short  
Walt Wadlow  
David Yargas  
Tom Zuckerman

**Other Participants**

Manucher Alemi  
Gary Bedker  
Serge Birk  
Jerry Boles  
Gerald Bowes  
Ann Brice  
Earl Brown  
Mike Chapel  
Rick Chapman  
Ed Childers  
Cindy Darling  
Richard Denton  
Chris Foe  
Amy Fowler  
Dennis Fox  
Rick Frank

Eric Hammerling  
Kate Hansel  
Perry Herrgesell  
Steve Hirsch  
Liz Howard  
Linda Hunter  
Allen Harthorn  
Jeff Jaraczski  
John Kopchik  
Walter Kornichur  
Jordon Lang  
Eugenia Laychak  
Roger Masuda  
Joel Medlin  
Hari Modi  
David Morrison

Dan Nelson  
Earl Nelson  
Kent Nelson  
Jeff Phipps  
Larry Puckett  
Bob Raab  
Tim Ramirez  
Patricia Rivera  
Larry Rodriguez  
Nancy Schaefer  
Karen Schwinn  
Mary Selkirk  
Kelly Tennis  
Doug Wallace  
Scott Wilcox  
Michelle Wong

**Action Items and Decisions**

1. The Roundtable should direct input for the Governor's Flood Emergency Action Team to the CALFED liaison to the team.
2. Feedback on any concerns regarding the needs assessment assumptions should be provided to Cindy Darling by March 17. Other comments on the needs assessment should be provided to Cindy Darling by March 21.
3. Consider the need for an additional April meeting in order to address the necessary items in the schedule.
4. NFWF can be used for the administration of non-state restoration funds. The NFWF

- option for administrating non-state funds will be developed.
5. The needs assessment will be finalized. It will identify a system to track funds spent by state agencies.
  6. The Roundtable concurred on use of the alternative 2-step planning process for selecting proposals but wanted to explore a possible hybrid approach.
  7. Studies (vs. projects) are appropriate to be considered for funding if they are directly tied to potential, implementable projects.
  8. Flow related projects are appropriate to be considered, providing they are associated with other restoration actions and aren't only acquisition of water.
  9. CALFED staff will draft criteria to use for projects of opportunity.
  10. The attached article on conservation biology was distributed for Roundtable members to read.
  11. Page one of the meeting notes from February 20th were revised.

Future meetings of Roundtable are as follows:

Friday, April 11, 9:30 a.m.-12:30 p.m.

Friday, May 9, 9:30 a.m.-12:30 p.m.

Friday, June 13, 9:30 a.m.-12:30 p.m.

Please note, an additional April meeting is now scheduled for April 30 from 1 to 3:30. The May 9 meeting may also need to be rescheduled due to a conflict with ACWA's spring meeting.

### Draft Meeting Notes

The Roundtable began at 9:45 a.m. with introductions and an announcement by Tom Zuckerman regarding the lunchtime speakers scheduled for later in the morning. There were a couple of revisions to the meeting summary from February 20th: 1) additional Roundtable members were added to the attendee list (please remember to sign in for the meetings), and 2) there was a revision to the notes regarding Dick Daniel's comments on the ecosystem common program and no action alternative. Revised meeting notes from February 20th are attached.

Jeff Phipps gave a presentation on the CVPIA process, and distributed an associated 3-page handout. Jeff indicated that the goals of the CVPIA are defined in the Act, and that the Bureau of Reclamation and the Fish and Wildlife Service are responsible for its implementation. Jeff reviewed a variety of stakeholder issues associated with the CVPIA, including achieving the necessary amount of public involvement and public understanding of the Act and the associated improvement actions. Jeff briefly reviewed the project prioritization and planning process for the CVPIA and a flow chart on the process. He is currently working with CALFED staff and CVPIA staff on refining this process.

Kate Hansel gave a presentation on coordinating with other planning processes, including CVPIA and EPA. A 3-page handout entitled "Proposed Coordination of CALFED, CVPIA, and EPA

1997 Planning Processes" was distributed. Kate reviewed the discussion of the proposed coordinated planning process listed in the handout, and the various phases of program coordination represented on an overhead slide (attached). The handout on the types of coordination, how it will be done, who is involved, and when it will be done was reviewed.

Discussion of the planning process coordination effort included the following comments.

- A need was expressed for clearer priorities for funding this year's actions.
- A calendar exercise was suggested for planning the various actions from the different programs and identifying where overlaps occur.
- A process diagram would be helpful for referencing where we are currently at in the planning and coordination process.
- Kate's presentation addressed a significant portion of the virtual pool concept for the program funding and coordination (particularly the overhead on restoration program coordination).
- The first planning process matrix box on "jointly identifying critical problems and methods to address problems" may need to include more than just one step.
- A question was raised regarding whether the CVPIA is addressing some of the flow related issues that the Category III program is not. It was noted that there are several different flow issues and phases within the CVPIA program, but consensus on how to address them has not yet been achieved.
- A question was raised regarding the funding schedule, and when the funding plan for 1997 would be in place. It was noted that funding for 1998 would be needed at approximately the same time, and that perhaps the Roundtable needs to be looking further ahead. It was noted that the technical team approach used thus far is sufficiently broad that it could be applied to several years of the planning and funding process, and it was concluded that the Roundtable simply needs to insure that the process to solicit projects is as broad as the funding process.

Gary Bobker distributed an article on conservation biology and management that he indicated was "required reading". He also cited a letter that he had drafted to the Governor on behalf of the Roundtable, and briefly described its contents. There was continued discussion on the need for a Roundtable member to be on the Governor's Flood Emergency Action Team (FEAT). Lester Snow indicated there is already a CALFED liaison on this team. The Roundtable should convey any messages for FEAT through this liaison. A question was also raised regarding whether the Ecosystem Restoration Workgroup (ERWG) might be a more appropriate entity to be more heavily involved with FEAT considering the time lines for action. However, there are immediate needs such as addressing opportunities on the Tuolumne River related to rebuilding of levees around sand and gravel mining operations that may be of interest to the Roundtable. The conclusion was that there could not be a Roundtable liaison to FEAT but it was appropriate for the Roundtable to convey any concerns they have to CALFED.

The meeting continued with a discussion of the latest draft (dated March 11) of the needs assessment. David Yardas discussed the needs assessment and distributed a matrix of needs assessment items and responsible parties. Review of the needs assessment document by the Roundtable members was requested. Cindy Darling noted that the assumptions in the needs

assessment need to be carefully reviewed by Roundtable members to ensure that there was consensus on two key assumptions: 1) that it was appropriate for CALFED to pursue using the National Fish and Wildlife Foundation to administer grants going to non-state agencies, and 2) that Roundtable members agreed that they wanted to recommend that stakeholders be involved in developing the package to solicit grant applications and review of applications received. If stakeholders were involved, any participant would need to clearly not have a conflict of interest and so many of the technical consultants would not be able to participate because they are also likely to be submitting applications for funding. She noted that involvement in the processes to solicit and review grant applications by stakeholders is a considerable commitment, and that the availability of stakeholder staff to participate in that process should be carefully considered. In response to the discussion of the needs assessment, Cindy Darling reiterated that "projects of opportunity" will be presented to the Ecosystem Roundtable and BDAC.

Feedback on the needs assessment should be provided to Cindy Darling by March 17th if there are any concerns about the assumptions listed in the document, and by March 21st for other comments related to the document.

David Yargas circulated a copy of the Exxon Valdez Spill Restoration Plan, which includes a planning process for actions similar to those planned by the Ecosystem Roundtable. It was noted that review of this document and its associated planning process may help prevent too much "reinventing of the wheel." Individuals interested in copies of the report should talk to David.

Rick Frank provided a briefing on legal issues regarding use of the National Fish and Wildlife Foundation (NFWF) for administration of funds related to restoration activities. The legal advice was that NFWF could be used for administration of the restoration funds. However, the Proposition 204 enabling legislation does not provide a complete waiver of other state laws that may apply regarding the administration of funds and contract requirements. A legal advice letter has been provided to CALFED staff on this issue. Cindy Darling noted that the funds would be allocated differently within the funding process, depending on whether it is a non-state project or a state agency project. A number of concerns were expressed regarding accountability and reporting of actions by state agencies. In addition, questions were raised regarding the evaluation of competing proposals that may be received by both state and private proponents, and additional concerns cited related to the accounting of funds provided the state agencies and how they relate to other budgets. Action items that came out of the discussion of the needs assessment, legal advice, and various state and private funding processes included the following.

- Provide a revised needs assessment.
- Identify a system to track funds spent by state agencies.
- Further develop the NFWF option for administration of agreements with non-state entities.

Further discussion on the funding process included questions regarding maintaining an adaptive management approach for restoration actions within the state system, and a possibility of modeling the funding process after an existing "quasi-state" program such as the salmon stamp fund. The view was expressed that there needs to be more emphasis on what needs to *get done* in

the way of restoration work, rather than *which project proponents* are receiving the funds (i.e., federal government, state government, local government or other groups).

### RESTORATION PROGRAM PLANNING UPDATE

Cindy Darling presented a time line for Ecosystem Roundtable activities and discussed each of the elements. A second version of this time line was provided which described a 2-step process for funding various projects. Discussion of the 2-step process included comments that it allows for more new ideas to be brought forth, as opposed to simply funding existing projects or programs that are already in place. Although it may take additional time to implement a 2-step process, there could be a phased or hybrid approach for current projects that would potentially still allow some projects to be funded immediately while others are being reviewed. It was noted that the 2-step process allows for more, smaller contracts and allows better public support for the actions. Conceptual projects that may come forward in a 2-step alternative need to be sufficiently detailed to substantiate that they are reasonably well thought out, and are ready to be implemented in the near term. It was noted that the terminology should be changed to identify the pre-proposals as "projects" rather than "concepts," and that the projects would need to address the actions specifically laid out in the work plan. It was suggested that two months may be necessary for proposals to be developed in order to allow for publication in the Federal Register, and there was discussion of a need for early distribution of information to the public in order to prepare them for responding to the package soliciting grant applications. The view was expressed that more time for goals and objectives and stressor identification should be included in the future cycles of the planning process. The consensus of the Roundtable was that the 2-step process had several advantages and that staff should evaluate development of a hybrid process.

Cindy Darling briefly reviewed the progress of the technical teams, and handed out a listing of technical team and umbrella team participants.

### DISCUSSION ISSUES

Cindy reviewed each of several discussion issues with the Roundtable. Regarding the issue of studies vs. projects, the Roundtable indicated they thought it was appropriate to fund studies if they are directly tied to potential implementable projects. Regarding flow related projects, the Roundtable indicated that it was appropriate to consider, at a policy level, funding flow related projects as long as they are not specifically for water acquisition ("buying water") without any other associated project work. Regarding education projects, there was no final consensus by the Roundtable at this point. A request was made for more information about other funding sources for these types of actions. Regarding how to handle "projects of opportunity," it was noted that this need should be addressed immediately if anything is going to be done with it. Staff will draft criteria to limit the number and types of projects and interested parties that may be involved in "project of opportunity" types of funding.

### CVPIA UPDATE ISSUES

Jeff Phipps noted that the next meeting of the Restoration Fund Roundtable will be on April 9th, and a meeting regarding review of CVPIA projects will be on April 22nd.

The formal Roundtable meeting was concluded in order to encourage maximum attendance for the invited speakers.

### INVITED SPEAKERS

The invited speakers were Denise O'Leary of Menlo Ventures, and Gordon Russell of Sequoia Capital. Following their introduction by Tom Zuckerman, Denise O'Leary gave a presentation on venture capital and Gordon Russell led a discussion and question and answer session. The speakers were videotaped and the tape is available from CALFED staff. The main points made by the speakers included:

- Risk in deciding how to invest your money is inevitable.
- As you invest your money, you must be prepared to admit your mistakes and learn from them.
- There are steps you can take to minimize risks such as funding projects in phases and carefully screening the project sponsors to make sure they can perform.
- If you can't get money invested and producing returns, you run the risk of your funding drying up.

Thanks to Tom for putting together a good presentation!

Attachments: CVPIA process (3 pp.)  
Program Coordination overhead slide